Docket No. HXI.1501 Customer No. 20987

In re Application of

MAY 0 3 2006

MAY 0 3 2006

ENTION APPLICATIONS BRANCH

Patent

FFW/\$

Application No. 10/536,692

Mario A. VILLENA, et al.

: International Application No.: PCT/US04/28217

Filed: May 27, 2005

: International Application Filing Date: August 31, 2004

For: COMPUTERIZED SYSTEMS FOR FORMATION AND UPDATE OF DATABASES

PETITION TO MAKE SPECIAL UNDER 37 C.F.R. § 1.102(d)

Mail Stop – Petitions Commissioner for Patents P.O. Box 1450 Alexandria, VA 22313-1450

Sir:

Applicants petition the Commissioner of Patents and Trademarks under the provisions of 37 C.F.R. § 1.102(d) with the appropriate fee set forth under 37 C.F.R. § 1.17(h). Applicants believe that all claims are directed to a single invention, but agree to make an election, without traverse, if the Office determines that all claims are not directed to a single invention.

Applicants also states that a pre-examination search was made by the United States

Patent and Trademark Office (USPTO) for two other matters filed in the USPTO filed by the
same inventors and covering the same general subject matter. A copy of both search reports, as
well as a copy of each reference deemed most closely related to the subject matter encompassed
by the claims, is attached.

Applicants also state that an additional search was conducted to find other relevant references. The classification of the subject matter searched includes G06F 17/60 (IPC(8)) and 705/1,10,400 (US).

A detailed discussion of each of the references how the claimed subject matter is patentable over the references follows:

05/04/2006 FFANAEIA 00000082 500238 10536692

01 FC:1464

130.00 DA

BEST AVAILABLE COPY

MOST RELEVANT REFERENCES

Information of Realtor Workstation, 2000 ("Realtor"): According to the "screen shots" and explanation provided by the USPTO Search Report, the Realtor reference teaches a database of property-related information that when accesses can enable a user to perform a number of property-related queries. A careful review of the various screenshots provided shows that Realtor: (A) a login page (pg. 2); (B) a general utility selection page (pg. 6); (C) a variety of virtual tools apparently configured to make queries (pgs. 8-20); and (D) a variety of display pages for displaying information of each property satisfying a query (pgs. 22-27) and display pages for displaying information on individual properties (pgs. 28-63).

There is no information – no disclosure, teaching or even a remote suggestion within the provided screen shots – that Realtor discloses the use of any Automated Valuation Methodology (AVM) derived property values. In fact, there is no disclosure, teaching or even a remote suggestion that Realtor includes any form of Property valuation information, automated or manual.

To the contrary, the only information provided remotely related to property value is "list price." See, e.g., pgs. 27 and 29. Accordingly, Realtor does not teach or suggest each and every claim limitation of independent claims 1, 27, 31 and 34, an issue that the Search report graciously acknowledges. See, Section V.2, "Citations and Explanations", page 1.

While the Search Report (Section V.2) apparently asserts that AVM derived data "is considered to be non-functional descriptive material that does not distinguish (define) over the applied prior art", Applicants assert that AVM-derived data is a substantially different from list prices. For example, as explained in the Detailed Description, an AVM-derived value for a particular property can, unlike a mere list price, define the difference between how much a

property costs and the true bargain the property represents to a prospective investor on the relevant market. Accordingly, AVM-related data can and does provide capabilities to systems not possible whatsoever to systems having only list price. Therefore in the context of the present claims, the recited AVM-related data is by definition functional as, when embedded in data structures and computer programs, it imparts functionality.

United States Publication No. 2001/0039506 to Robbins ("Robbins") discloses a process for automated real estate valuation wherein a database for enhanced records of properties in a particular territory is used to determine the value of a "subject property". See, Abstract. However, Robbins does not teach, suggest or even appreciate a database of records on a substantial portion of every residential property in a defined geographic region that is offered for sale, wherein each entry of the property database includes an automated valuation field containing an AVM produced value of the identified property, as recited in independent claim 1 and similarly recited in independent claims 10, 15 and 27.

To the contrary, while Robbins discloses that databases can be used to derive AVM values (see, e.g., Abstract, par [0082] and par [0109]), nowhere does Robbins disclose or suggest a database containing a large number of AVM values. Further, as the primary purpose of Robbins is apparently to derive an appraisal values by an appraisal professional (see, e.g., par [0076]) for a specifically identified property for lending reasons (see, e.g., par [0076]), there can be no rationale to impose use any such AVM database given the large expense associated with its development with no apparent economic benefit.

<u>United States Publication No. 2003/0191723 to Foretich</u> ("Foretich") discloses a system and method for valuing real estate. See, Abstract. A real-estate professional or loan officer (see, par [0028]) using the Foretich device could access a variety of databases (see, par [0026]-[0028]) and a number of Application Service Providers (ASPs) (see, par [0031]) to

perform an AVM process on a specific property. However, Foretich does not teach or suggest a database of records on a substantial portion of every residential property in a defined geographic region that is offered for sale, wherein each entry of the property database includes an automated valuation field containing an AVM produced value of the identified property, as recited in independent claim 1 and similarly recited in independent claims 10, 15 and 27.

To the contrary, as with Robbins, the Foretich device is configured to operate on a preidentified subject property to produce a single AVM. See, par [0035]. There is no AVM database or a query device that might use such a database.

While the relevant Search Report asserts that "Foretich teaches performing propertyrelated searches and notifications based on search parameters provided by a user", (citing FIG.

1) nowhere does FIG. 1 show any search engine or otherwise suggest that it performs propertyrelated searches using any database whatsoever, much less a search using an AVM database.

Quite to the contrary, FIG. 1 (and its supporting text of pars [0025]-[0031]) does not describe anything more than a generic networking diagram interconnecting various computers and terminals.

United States Publication No. 2002/0087389 to Sklarz et al. ("Sklarz") discloses a system and method for enabling a prospective seller to perform various computer-assisted realestate valuations. The only substantive discussion of AVM in Sklarz relates solely to enabling prospective sellers to use AVM-related tools to produce a single AVM value – that of a property that the prospective seller wishes to market. See, paras [0012], [0014] and [0250]-[0253]. Thus, as with the above-identified references, Sklarz does not teach or suggest a database of records on a substantial portion of every residential property in a defined geographic region that is offered for sale, wherein each entry of the property database includes an automated valuation field

containing an AVM produced value of the identified property, as recited in independent claim 1 and similarly recited in independent claims 10, 15 and 27.

DISCUSSION

As discussed above, neither of the Search Reports show where any of the applied art of record discloses, teaches or even a remote suggests a database of records on a substantial portion of every residential property in a defined geographic region that is offered for sale, wherein each entry of the property database includes an automated valuation field containing an AVM produced value of the identified property, as recited in independent claim 1 and similarly recited in independent claims 10, 15 and 27. Further, Sklarz, which is arguably closer to the claimed invention than any art cited by the Search Reports, fails to make any such showing.

Thus, there is no anticipation under 35 U.S.C. §102(b).

Further, there can be no *prima facie* case of obviousness. To establish a *prima facie* case of obviousness, the prior art references must teach or suggest all the claim limitations, there must be some motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify or combine the reference teachings and there must be a reasonable likelihood of success to combine the references. See MPEP §2143, for example.

As discussed above, the Search Report has not shown that the applied art of record teaches or suggests all the claim limitations.

Further, the Search Reports have not provided an appropriate motivation in the references themselves, or demonstrated an appropriate motivation from the knowledge generally available to one of ordinary skill in the art, to modify or combine the reference teachings, much less suggest the specific motivation required under the Patent Laws.

The inventors of the disclosed methods and systems have created an entirely new approach to empower buyers of real estate property. Against industry trends and traditions, the inventors have invested greatly in their own AVM technology, and applied it in unconventional and novel ways. Accordingly, the inventors have a unique standing in the relevant industry with the ability to perform massive numbers of AVM valuations at negligible costs. As a result, the inventors have created novel applications that can take advantage of the strengths of AVM technology while limiting their known liabilities. For example, by employing AVM technology not against various specific properties, but against practically every property in a given geographical region, entirely new approaches for investing can be formulated with negligible costs and before any substantial money is ever invested by a given consumer.

Applicants also wish to point out that a product based on the Inventors' claimed technology has been recognized for its "Innovative Technology" by the Inventors' industry peers. See, Attached <u>Inman News</u> announcement. Such peer recognition is evidence of the utility and novelty of the claimed methods and systems, and should weigh in as a secondary consideration of nonobviousness. See, e.g., <u>Graham v. John Deere Co.</u>, 383 U.S. at 17-18.

Accordingly, Applicants assert that the independent claims are directed to patentable subject matter. The dependent claims are directed to patentable subject matter by virtue of their dependency as well as for the additional features they recite. Accordingly, Applicants respectfully request that this Petition be granted and the examination of this Application be expedited.

Please charge the amount of \$130.00 to Deposit Account 50-0238. Any deficiency or overpayment should be charged or credited to Deposit Account No. 50-0238.

Respectfully submitted,

VOLENTINE FRANCOS & WHITT, P.L.L.C.

B. Y. Mathis Reg. No. 44,907

One Freedom Square 11951 Freedom Drive, Suite 1260 Reston, VA 20190 Tel. No. (571) 283-0720 Fax. No. (571) 283-0740

May 3, 2006

Attachments: Copy of each reference; copy of Inman News (12/21/05)



TODAY'S INSIDER REALT(

You can eliminate cold calling and a leads to call you every day. The s:

HOME | NEWS | JOIN | PRODUCTS | CONFERENCES | ADVERTISE | ADVICE | ABOUT US SUBMIT A TIP

2005 Inman Innovator Award Finalists

RE Cor

T

8

Ban

Make sure to attend RE Connect SF!

Register Now

New Business Models

- ByOwner.com
- Century 21 Clickit
- Expert Realty
- Home Discovery
- ipayOne.com
- ISoldMyHouse.com
- One Percent Realty
- Prudential Real Estate Affiliates

The Marian Property of the Control o

Winners to be announced the evening of July 27, 2005 at Real Estate Connect SF 2005

Innovative Technology

- Center for REALTOR Technology (National Assn. of Realtors)
- CleanOffer
- CreditXpert
- DocuSign
- FlashMaps
- Google Earth
- Homekeys
- HousingMaps.com
- LeadRouter Cendant
- MapQuest Business Solutions
- Real Data Center
- RealBird
- Ellie Mae

Most Innovative Real Estate Brokers/Franchises/Realtor

- Baird & Warner
- Century 21 Sussex & Reilly

R

Ė

- Prudential California Realty
- Real Living
- The "RE/MAX Internet Team" by Damon Pace
- Smarter Agent

Most Innovative Web Service

- HomeGain
- NexTag
- Real Data Center
- RealEstate.com
- RealtyTrac
- Redfin
- StartPoint Realty Network
- WhereToLive.com
- Zona Hipotecaria (IndyMac)

Most Innovative Mortgage Companies

- Bank of America
- Countrywide Home Loans
- DiTech.com
- First Metropolitan Mortgage
- Metrocities Mortgage
- Wachovia

Most Innovative Media Site

- Brownstoner.com
- Curbed.com
- New York Times Digital
- October Research Corporation
- PropertyGrunt.com
- RealEstateJournal.com
- REALTOR Magazine Online
- RIS Media

Most Innovative Rental or New Home Online Service

- ApartmentRatings.com
- Apartments24-7.com
- NewHomeTechnologies.com
- PropertyBridge
- RealRenters
- Subletinthecity.com

Most Innovative Real Estate Data Site

- ByOwnerDaily.com
- Mortgage PhD (Fidelity)
- OnBoard LLC
- RE-Data.com

KNI

- Terradatum
 The Mercury Alliance



BOR

About SF Connect

Program

N

Register Now!

Hotel Information

Exhibitor/ Sponsorship

Pre-conference Workshops

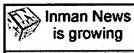
Who Attends

<u>Testimonials</u>

Innovator Awards

Press Information

.



We're looking for seasoned industry players to join our team!

Learn More

R

Secur Po

Great:

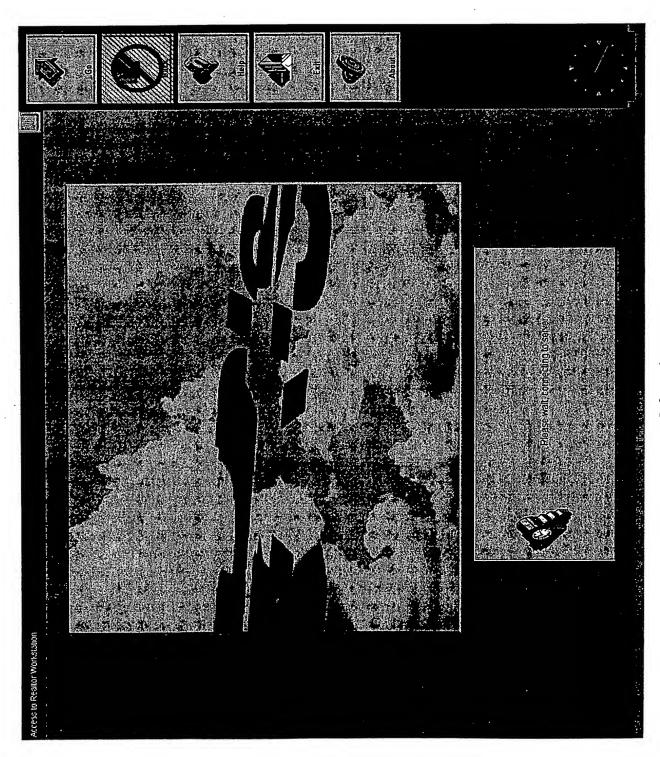


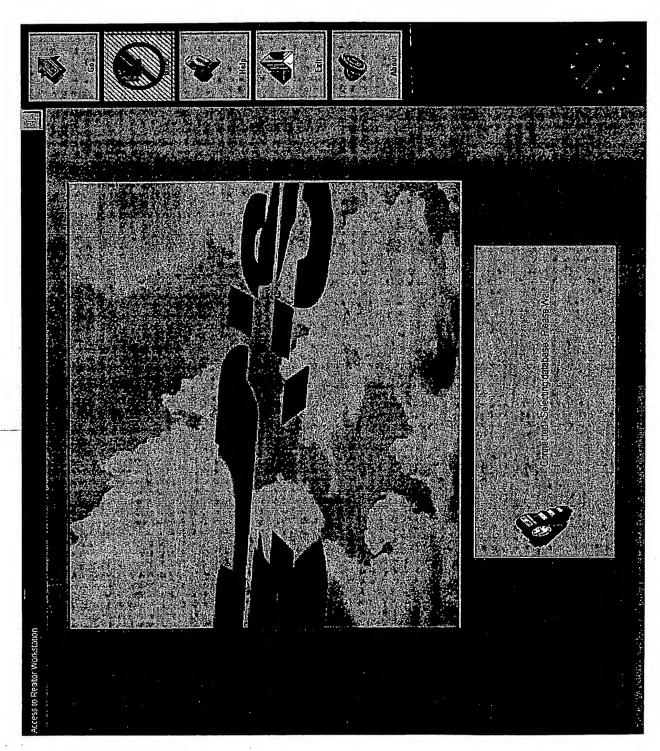
©2005 Inman News

Home | Privacy | Editorial | Legal | Site Map

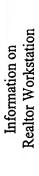


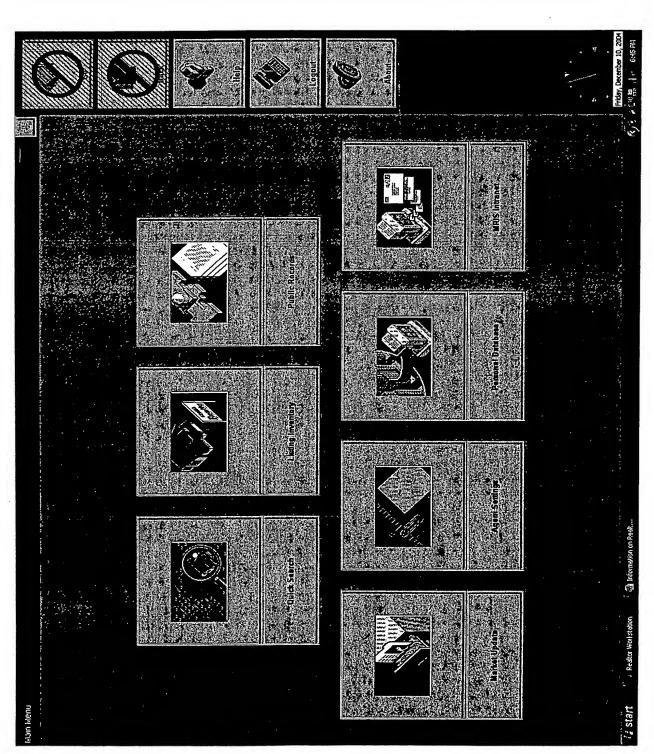
Information on Realtor Workstation

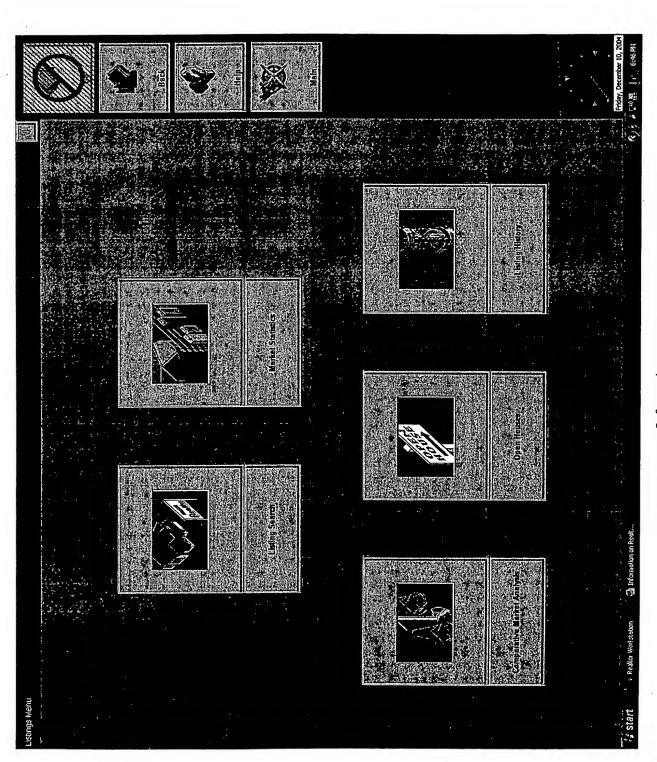




Information on Realtor Workstation

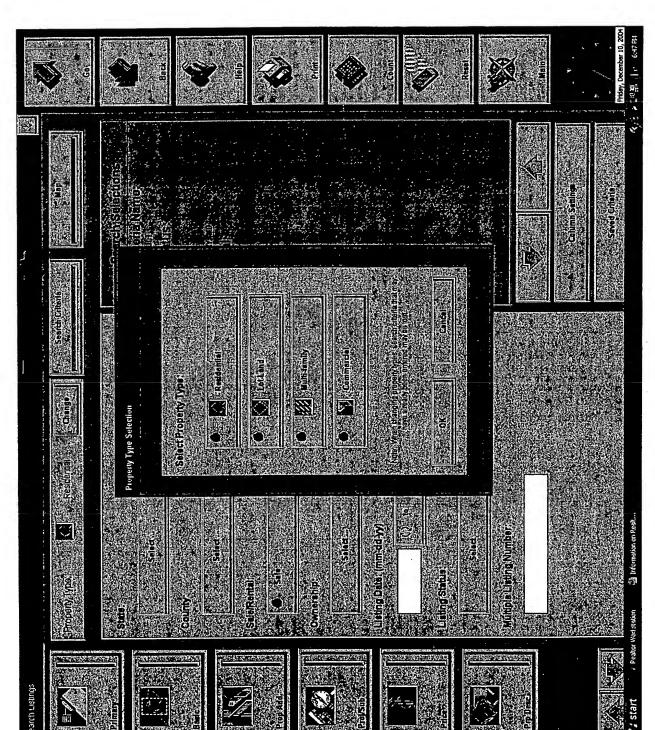






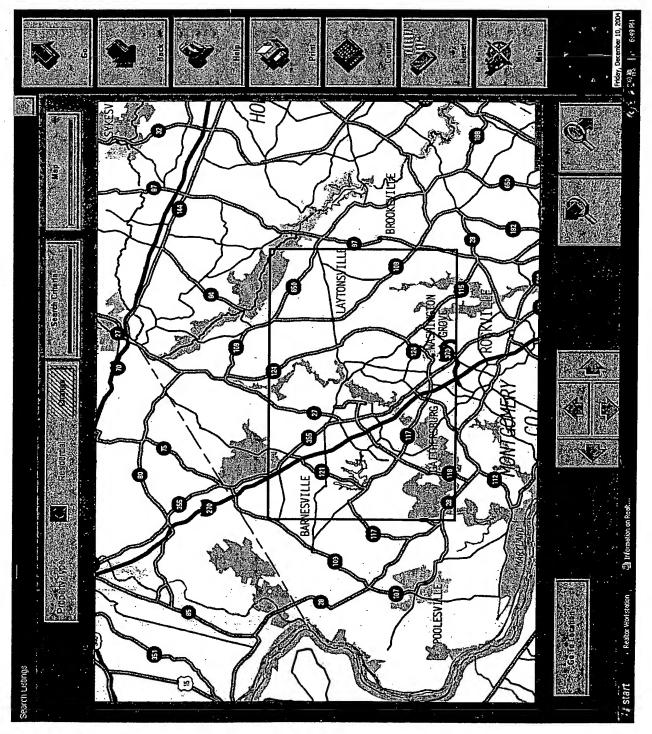
Information on Realtor Workstation

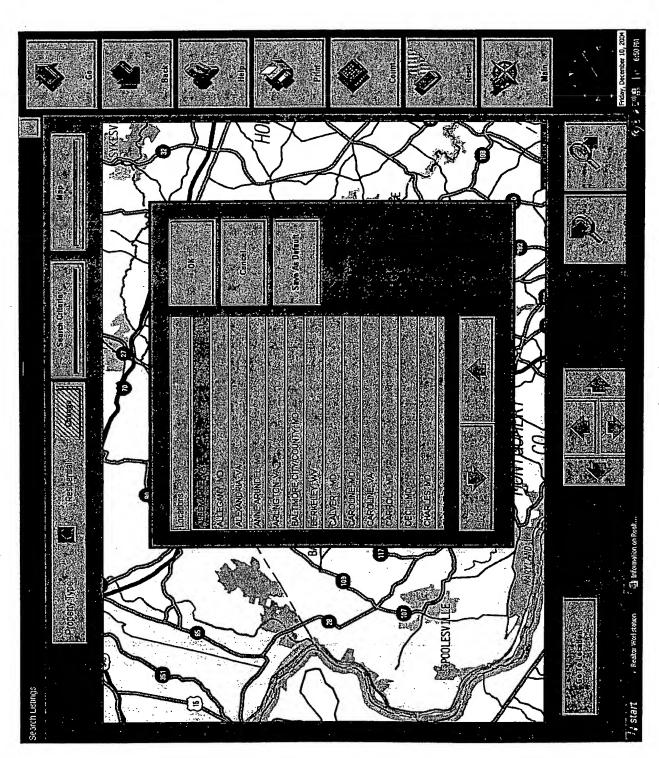
Page 8



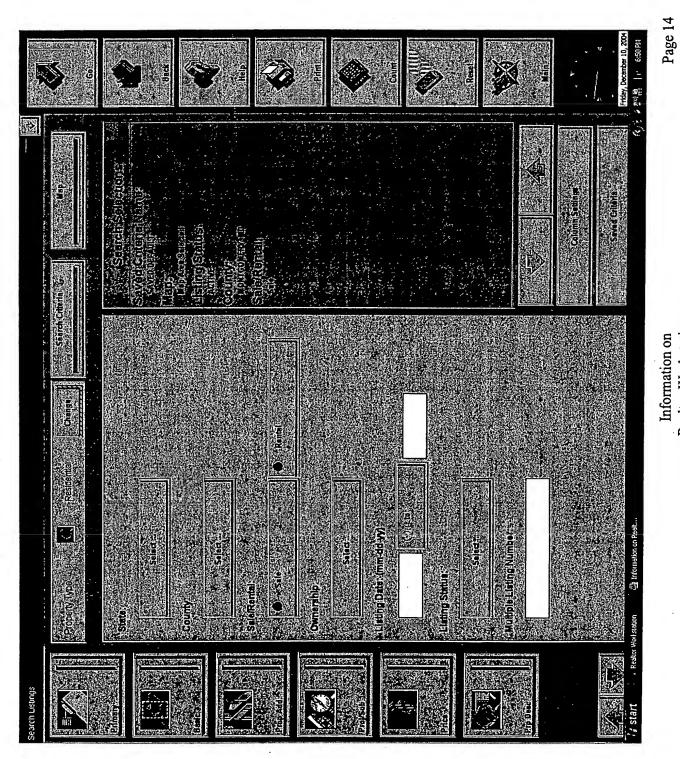
Page 10

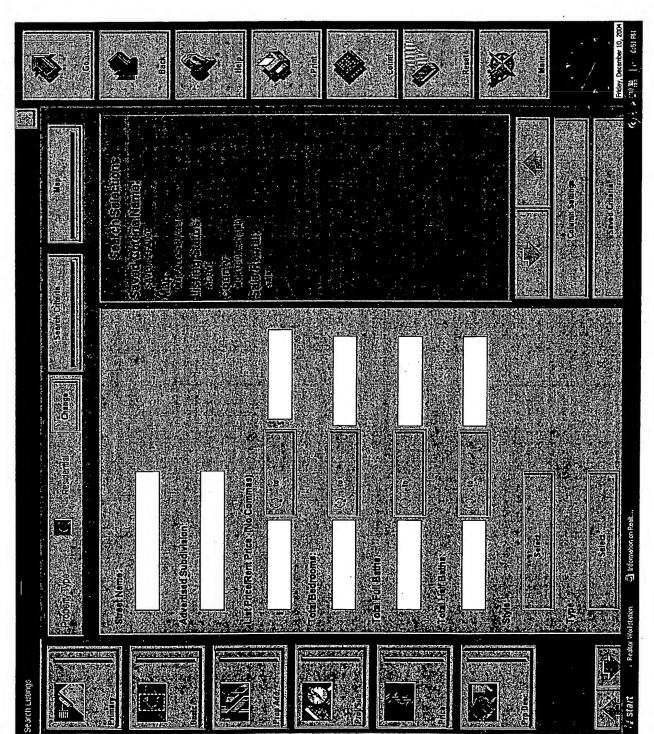
Information on Realtor Workstation

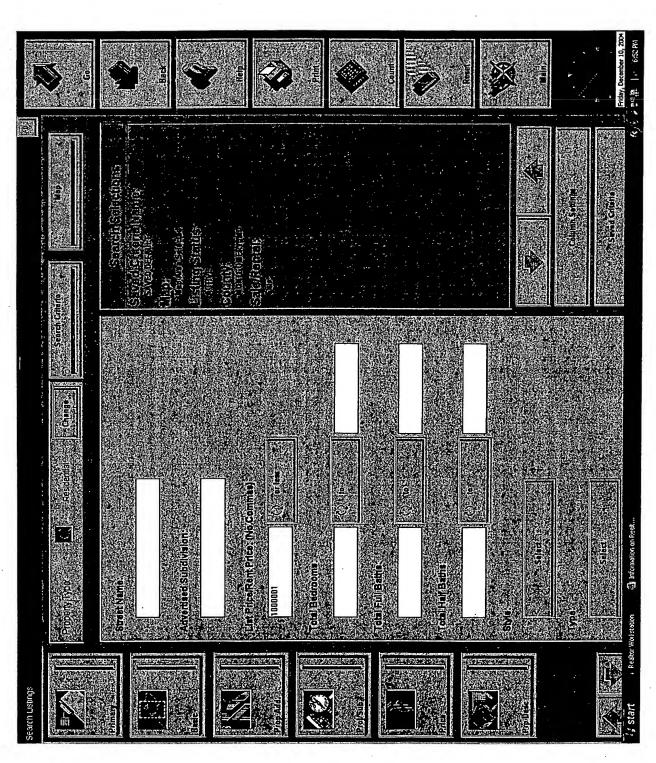


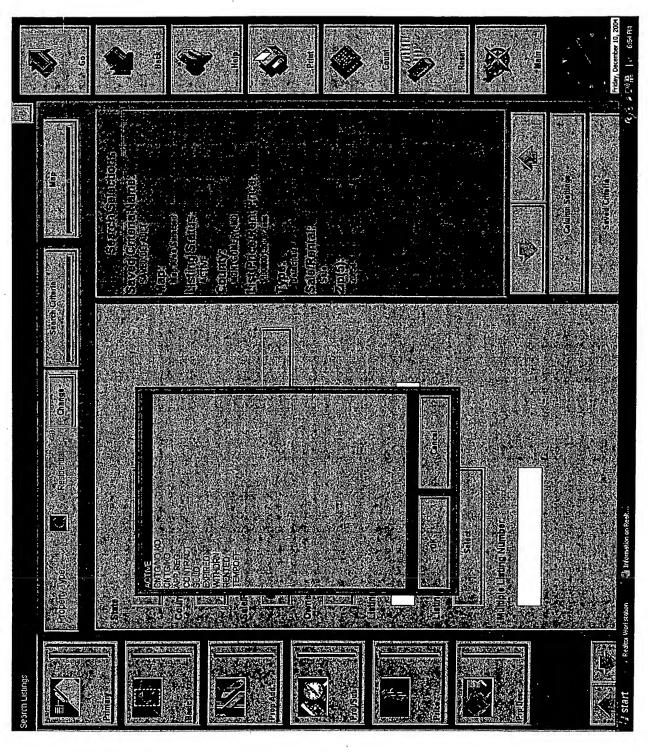


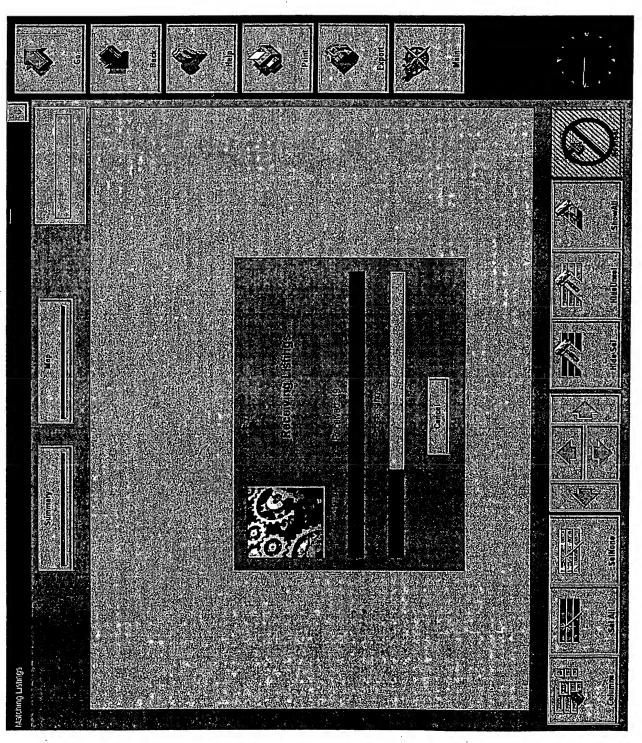
Page 13

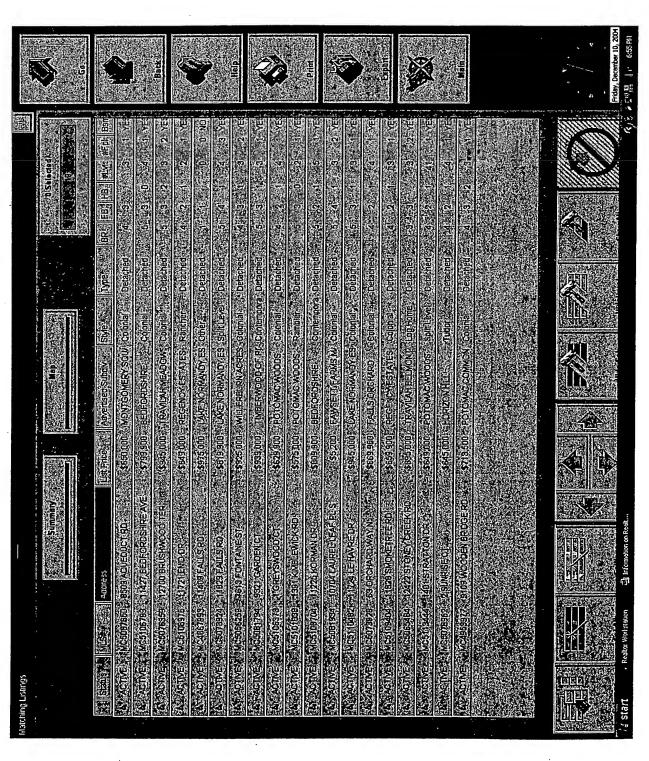




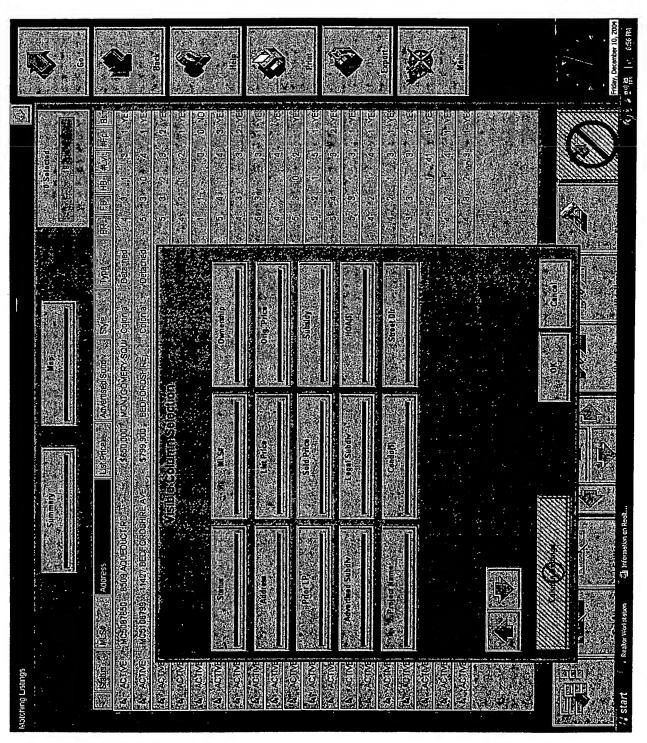


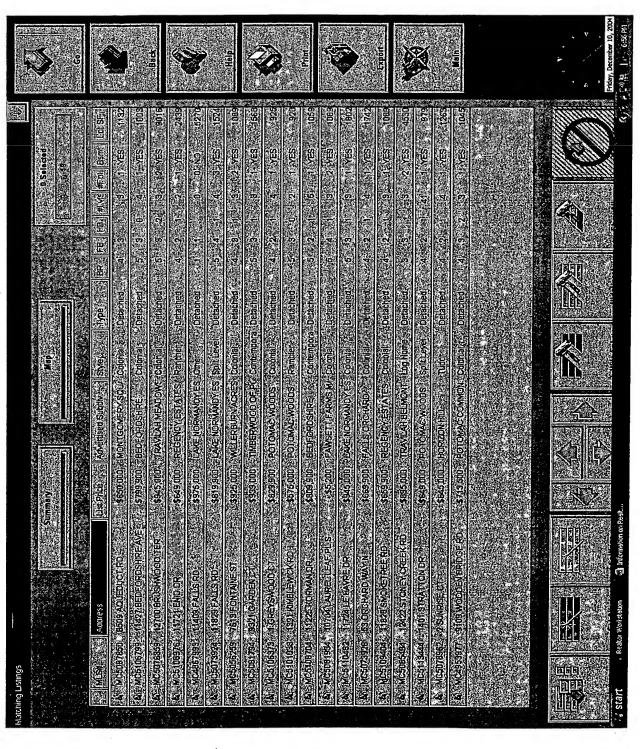


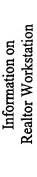


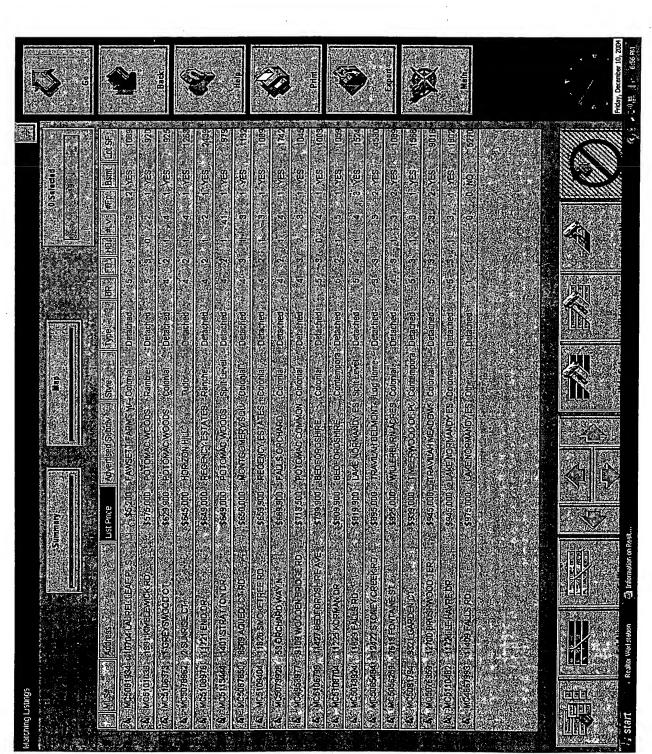


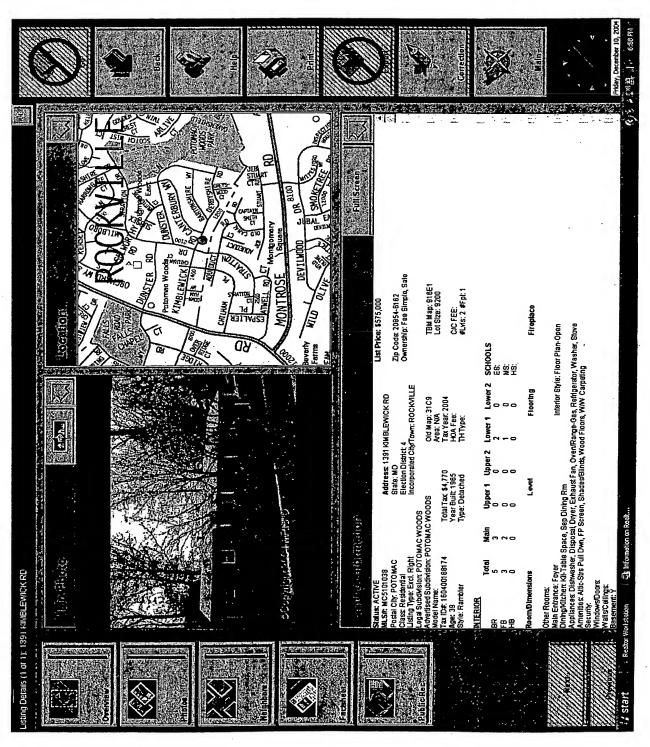
Information on Realtor Workstation

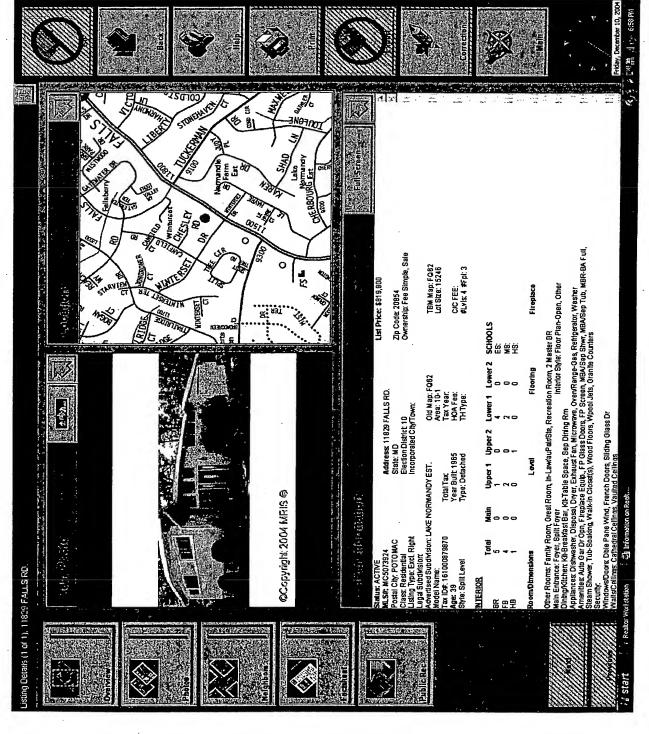


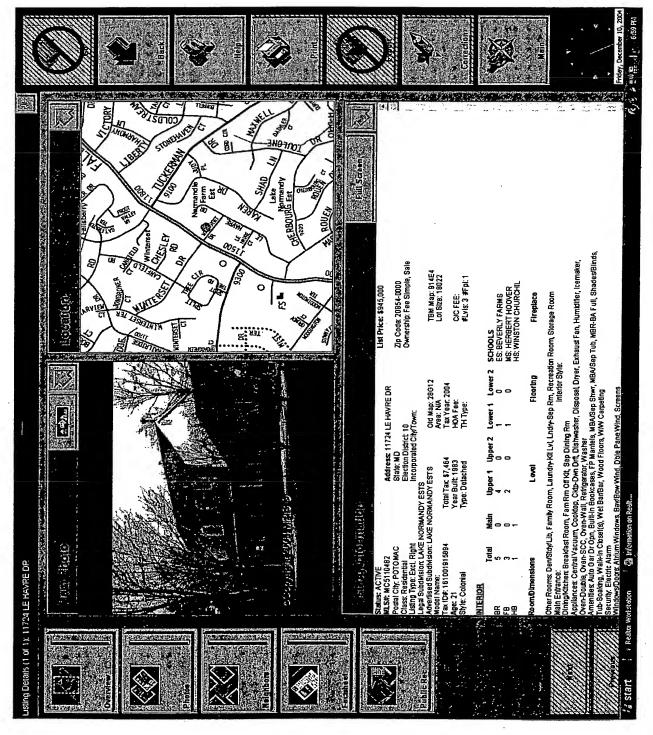




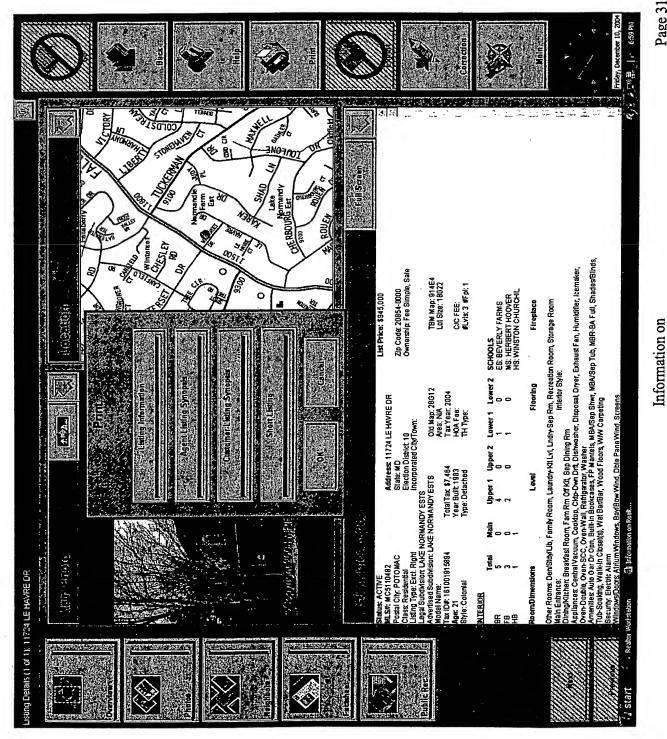




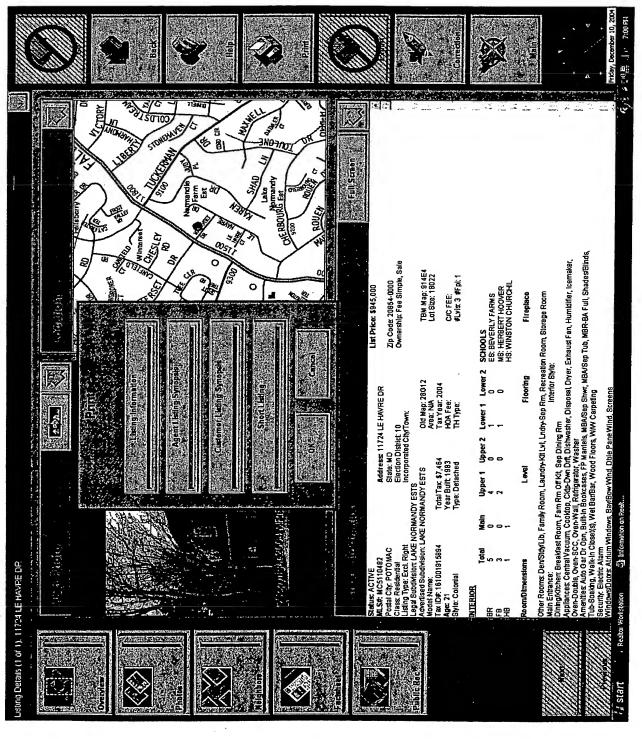


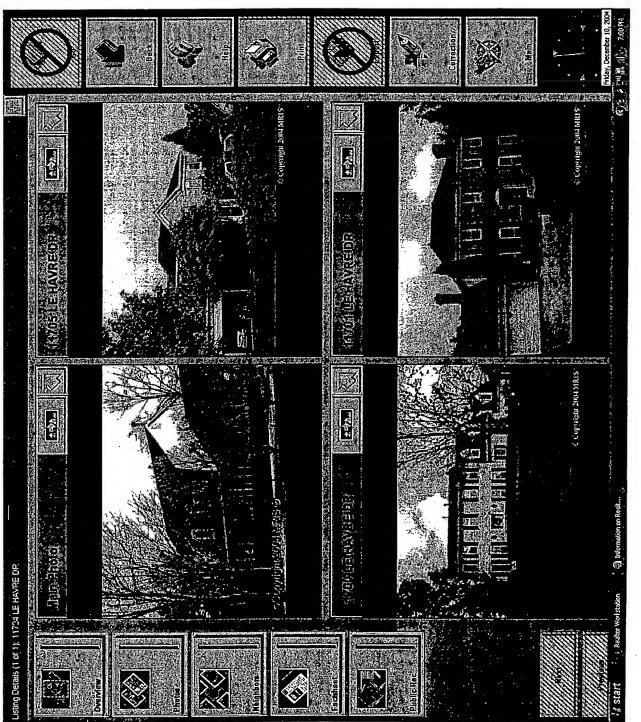


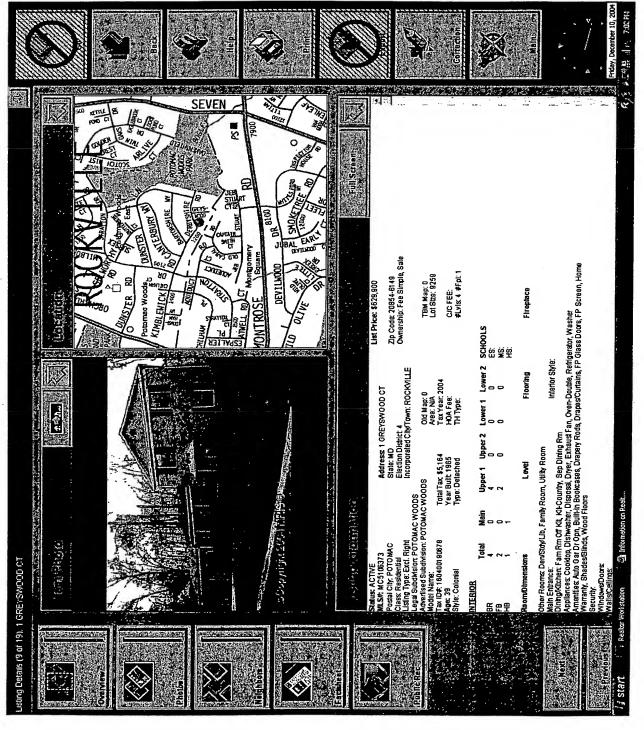


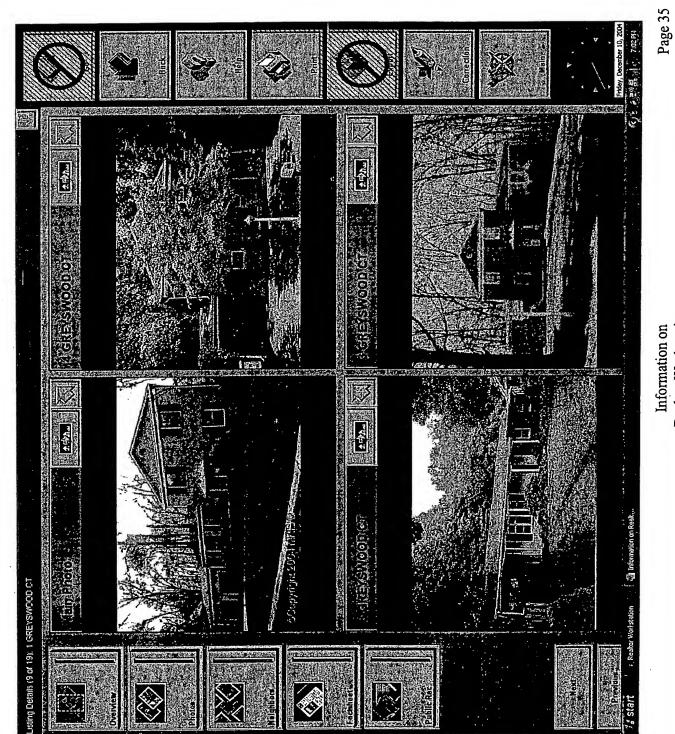


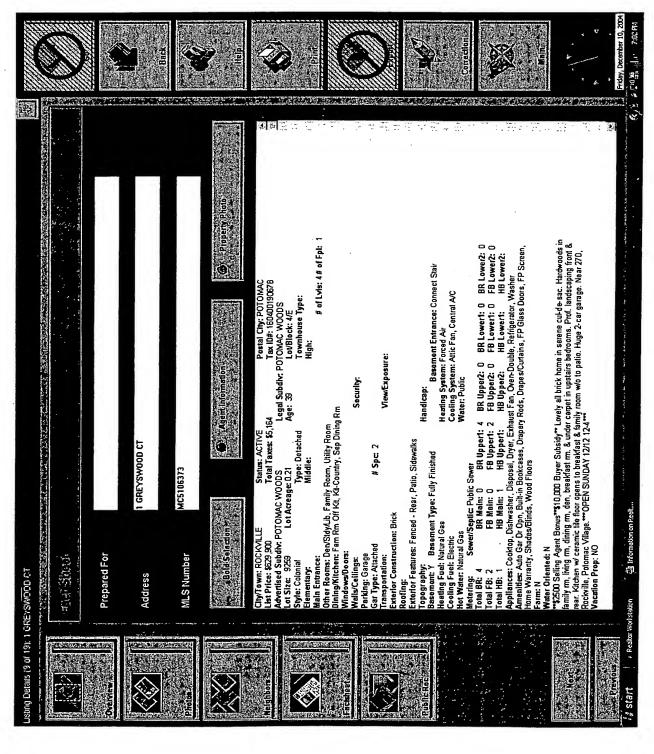
Page 31

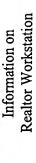


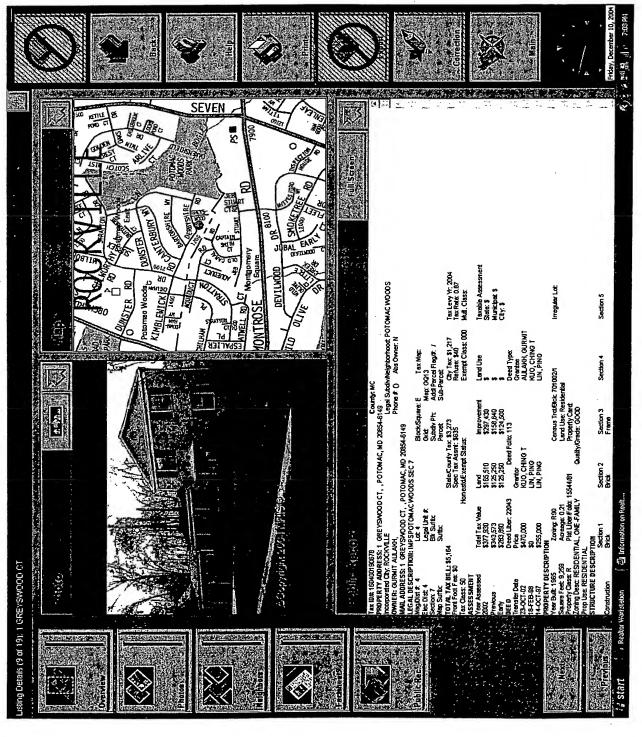






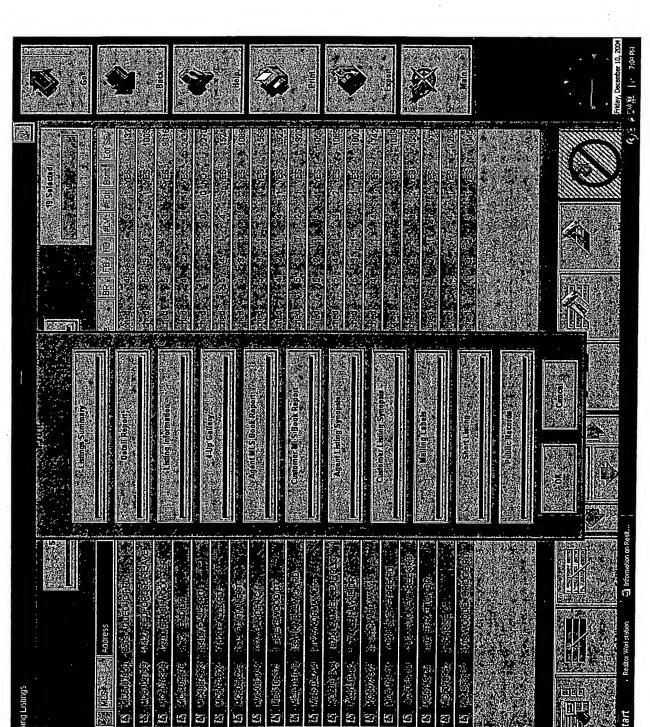






. Realtor Worl stebon

Page 38



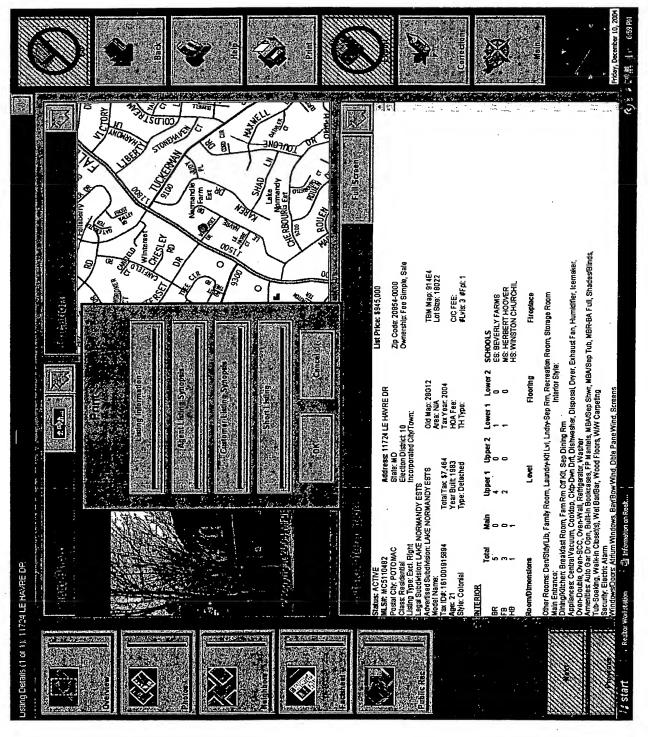
D TREETING STATES ST. In statement statements

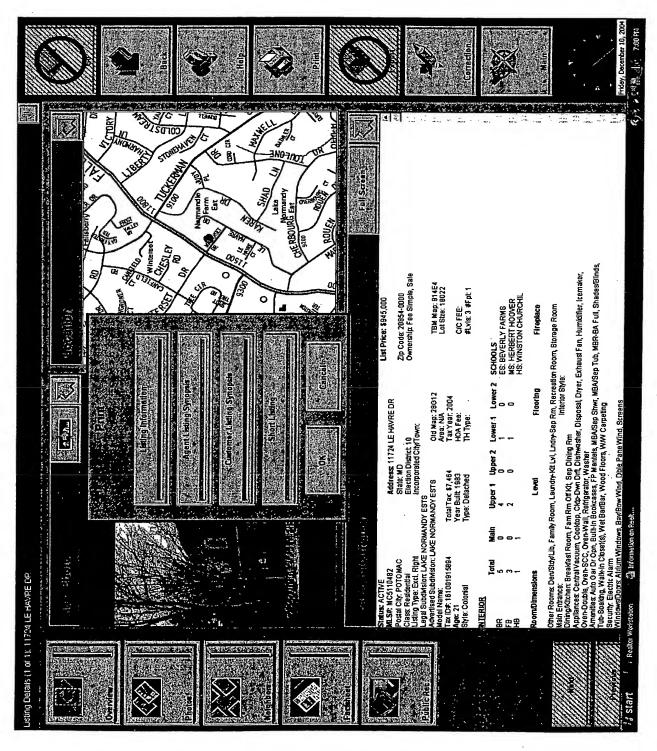
U. Network

d ceregie as with the

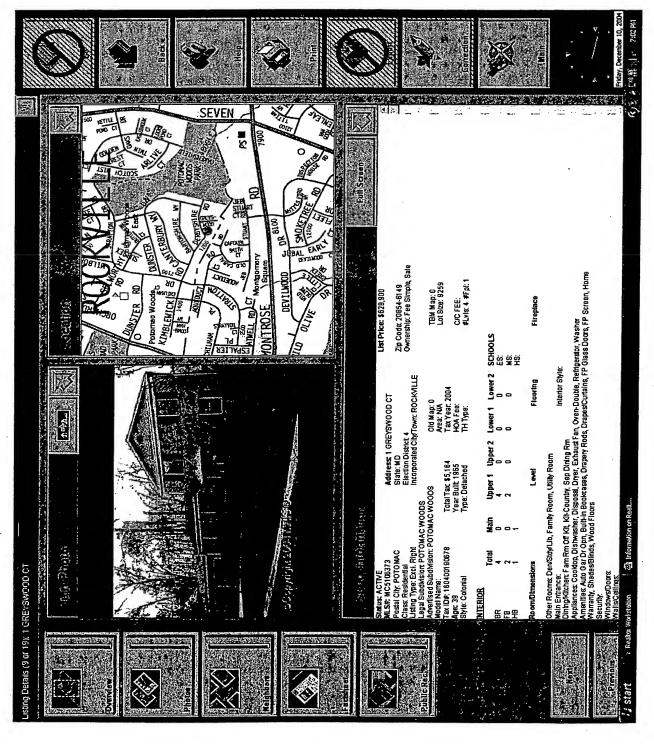
The state of the same of D. contract, builds

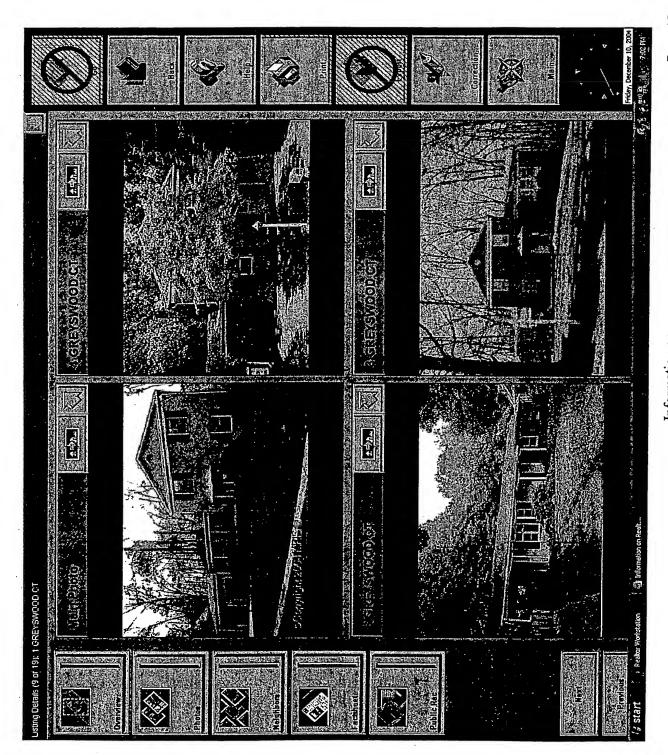
Address Address



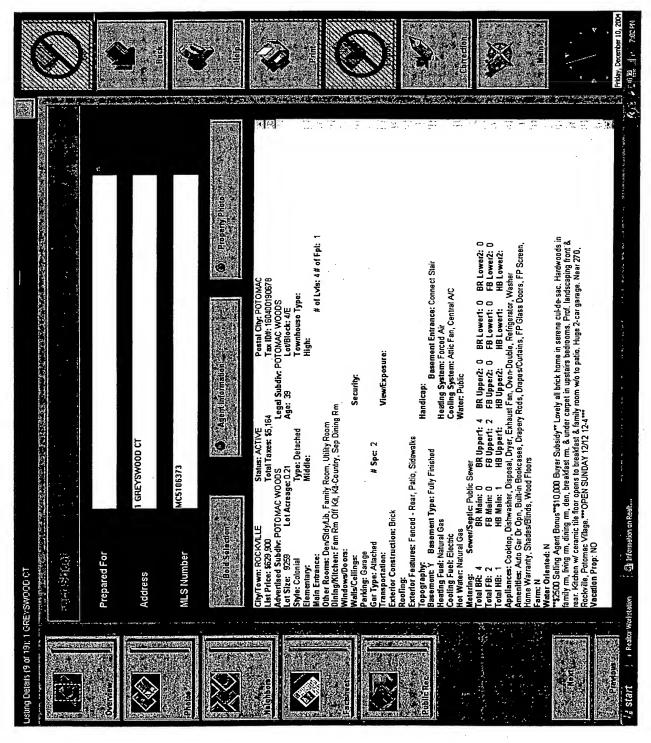


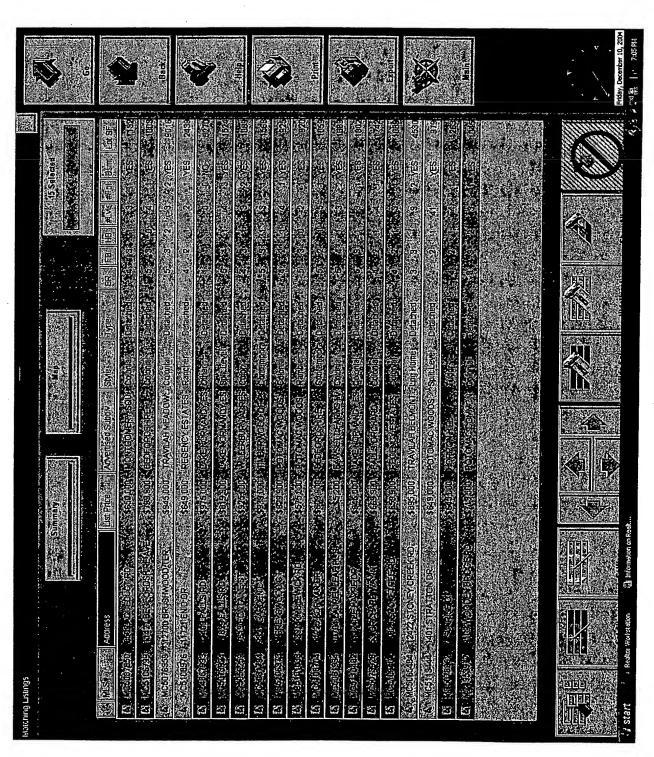
Page 43





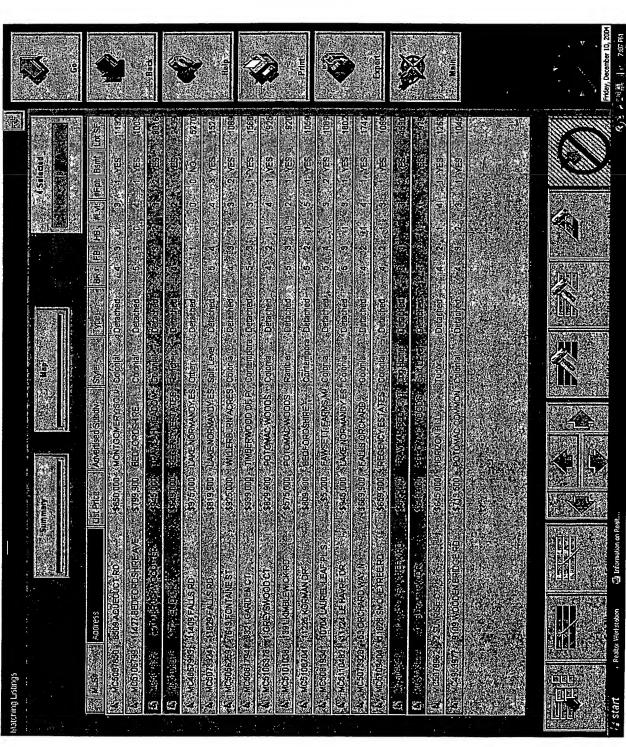
Page 45

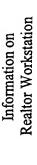


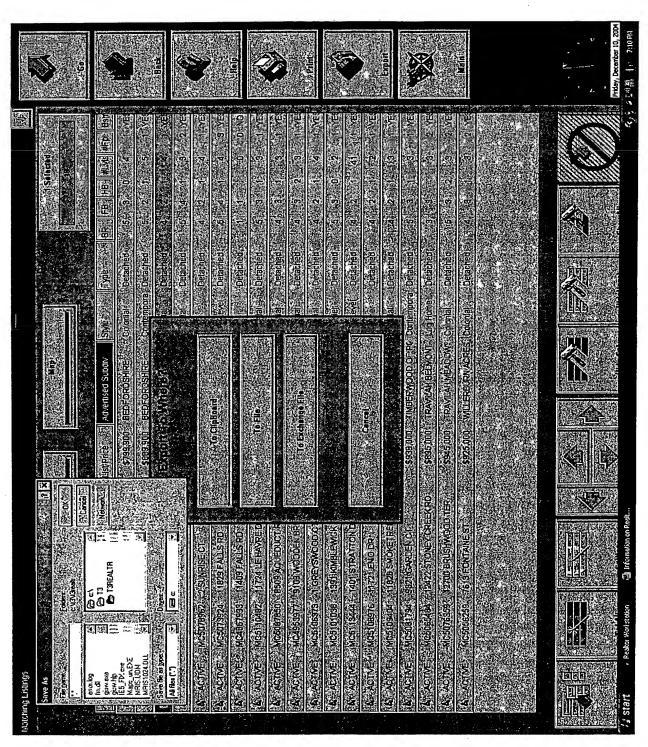


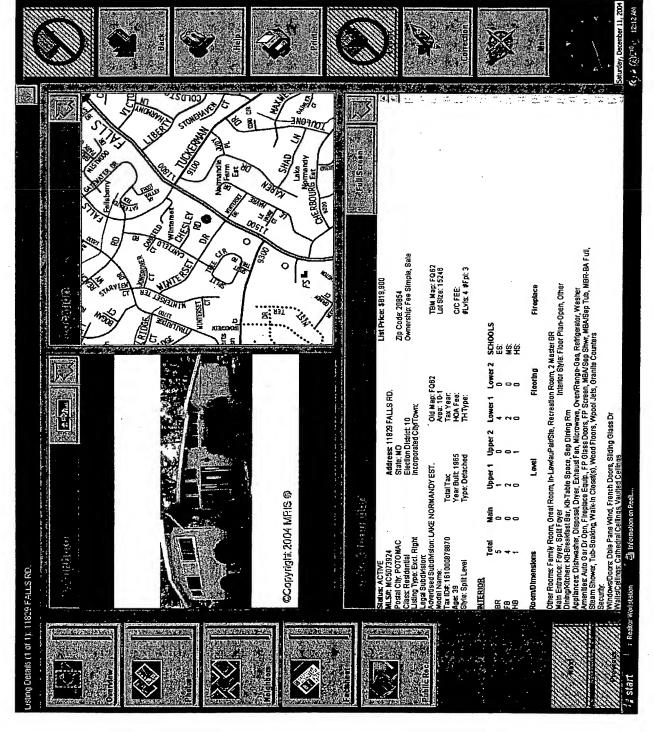
Information on Realtor Workstation

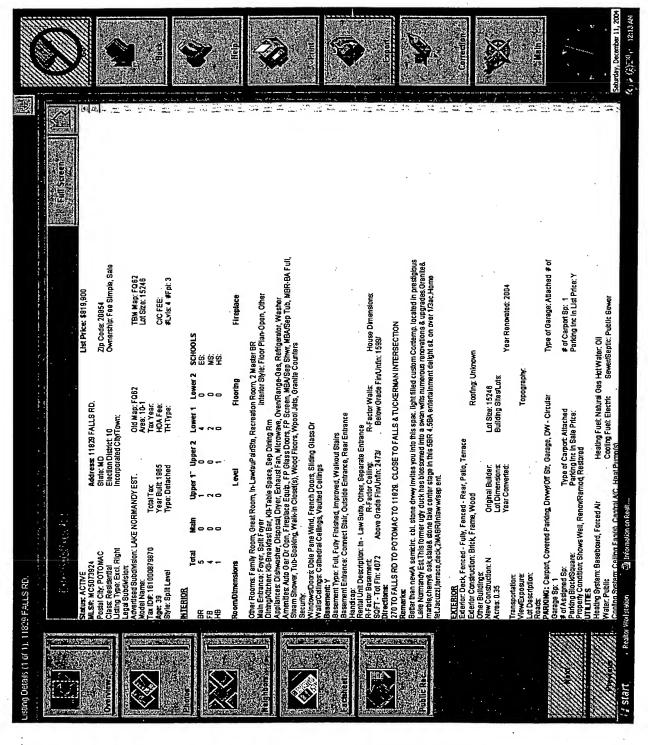
Realtor Workstation



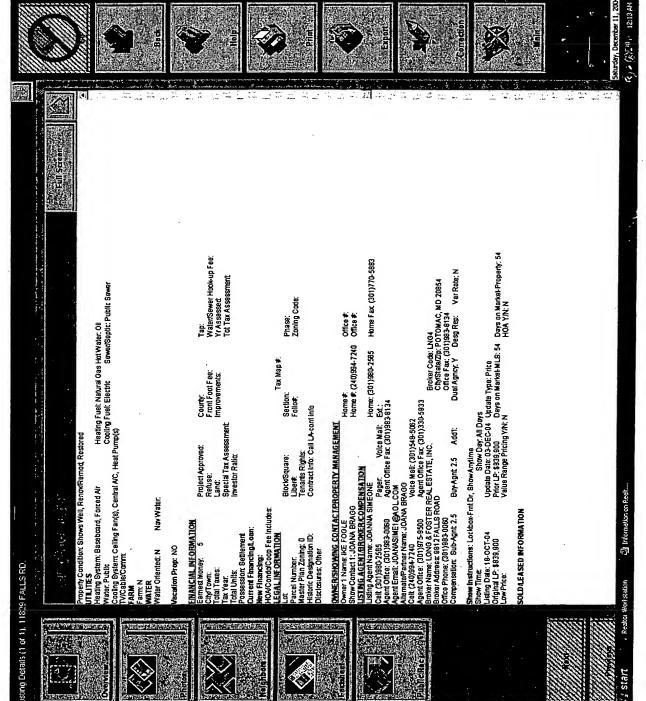


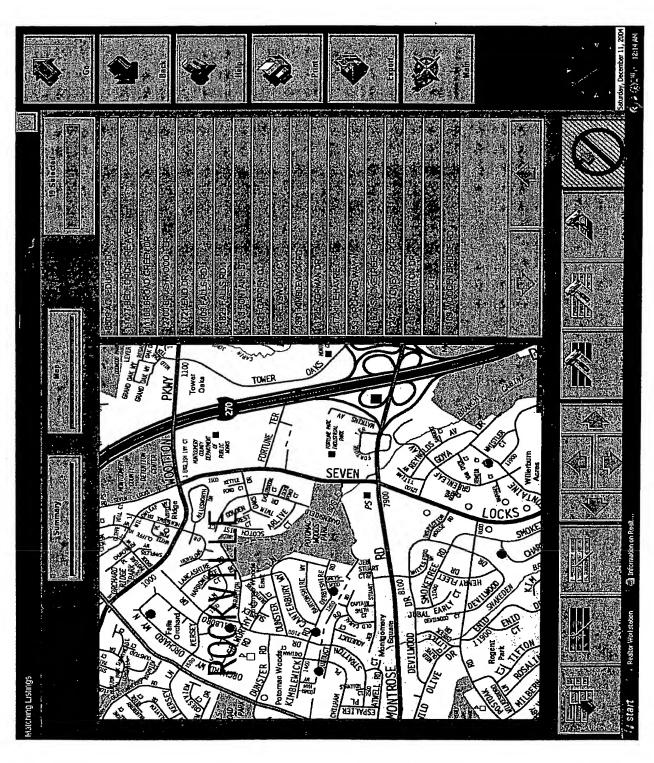


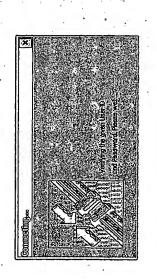












This Page is Inserted by IFW Indexing and Scanning Operations and is not part of the Official Record

BEST AVAILABLE IMAGES

Defective images within this document are accurate representations of the original documents submitted by the applicant.

Defects in the images include but are not limited to the items checked:

BLACK BORDERS

IMAGE CUT OFF AT TOP, BOTTOM OR SIDES

FADED TEXT OR DRAWING

BLURRED OR ILLEGIBLE TEXT OR DRAWING

SKEWED/SLANTED IMAGES

COLOR OR BLACK AND WHITE PHOTOGRAPHS

GRAY SCALE DOCUMENTS

LINES OR MARKS ON ORIGINAL DOCUMENT

REFERENCE(S) OR EXHIBIT(S) SUBMITTED ARE POOR QUALITY

IMAGES ARE BEST AVAILABLE COPY.

OTHER:

As rescanning these documents will not correct the image problems checked, please do not report these problems to the IFW Image Problem Mailbox.